

January 4, 2024
Honorable Judge John Dorsey
824 N. Market St.
5th Fl. Courtroom 5
Wilmington, DE 19801
USA
(302) 533 - 3169

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CLERK
U.S. BANKRUPTCY COURT
DISTRICT OF DELAWARE

Re: OBJECTION to Motion of Debtors to estimate claims based on digital assets, Case No. 22-11068 (JTD), Hearing Date: January 25, 2024 at 10AM (EST)

Dear Judge Dorsey:

I am writing to formally object to the Debtor's request for an order to estimate claims (including Customer Entitlement Claims) based on the amounts set forth in the Digital Assets Conversion Table, because this is grossly unequitable and unfair to customer creditors like myself who have their claims denominated in specific digital assets rather than USD.

I am a customer creditor who owns a claim of 7000 SOL (Solana digital asset), equivalent to approximately \$700,000 at today's SOL prices. SOL is the third largest crypto-currency after BTC and ETH, and one of the largest available assets in possession of the FTX Debtors given the close previous connections between the FTX exchange and the SOL ecosystem.

This connection is of crucial importance because digital asset prices in general, and Solana in particular, have had significant gains since the Nov 11, 2022 date of petition filing. SOL's price was \$16.247 on 11/11/2022 and is at more than \$100 as of 01/04/2024.

In the cryptocurrency space, there is precedent for this objection. In the MtGox civil rehabilitation case (one of the largest in cryptocurrency history), the Judge eventually ruled to **distribute the upside in cryptocurrency prices among customer creditors** rather than to unequitably have it benefit third-party claimants such as Alameda creditors.

Debtor's Motion to value customer claims at the time of the petition would bring prejudice to tens of thousands of individual customers holding claims against FTX, who have their claims denominated in digital assets.

1. The Motion by Debtors ignores the express terms of FTX Terms of Services (ToS).

Clause 8.2.6 of the ToS expressly states what follows:

- a. Title to your Digital Assets shall at all times remain with you and shall not transfer to FTX Trading
- b. None of the Digital Assets in your Account are the property of FTX Trading.

Myself, and many other customers, have dealt the exchange under the assumption that our digital assets on the exchange remained our property. The exchange merely acted as

custodian for the assets to facilitate trading and transfers. Therefore, customers should be entitled to claim ownership of their digital assets.

Customer claimants like myself have already been victimized by the actions of Sam Bankman-Fried. Please do not let us be victimized again by non-customer interests, just because there is no specific Ad Hoc Committee representing the interest of the many individual customer claimants.

Sharing the upside in crypto-currency prices with individual customers is fairer, has supporting legal precedent and more equitably distributes the upside in distributable value.

For the reasons above, I respectfully request the court to deny the Motion and re-consider the distribution of digital assets especially for major, highly liquid digital assets such as Bitcoin, Ethereum and Solana.

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